

**IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

William Atchison,

Debtor,

Chapter 13

Bk. No. 13-31999

AP No. 13-03226-dof

_____/

William Atchison,

Plaintiff,

vs.

United States of America and
State of Michigan.

Defendants.

**ANSWER BY THE STATE OF MICHIGAN, DEPARTMENT OF TREASURY
TO PLAINTIFFS COMPLAINT TO AVOID TAX LIENS**

Defendant, State Of Michigan, Department of Treasury, through its attorneys,
Bill Schuette, Attorney General, and Moe Freedman, Assistant Attorney General
responds as follows.

1. The Debtor filed a voluntary Chapter 13 petition with this court on
June 4, 2013, and brought this complaint to avoid liens on real property located in
Genesee County.

2. The Debtor named the State of Michigan, Department of Treasury
(Treasury) as a defendant because Treasury claims an interest in the property as
the result of a State tax liens filed with the Genesee County Register of Deeds.


3. In Paragraphs 13, 22, 31, and 40 of the Complaint, Debtor alleges that if as a result of this action Treasury's liens are found to be invalid, Treasury's claims should be treated as general unsecured claims, and Treasury should be treated as a Class 9 creditor. Treasury expects to file Proofs of Claim in this case and expects that some or all of those claims may be entitled to priority treatment under 11 USC 507(a)(8)(C), and those claims should be entitled to the appropriate priority treatment as described in 11 USC 507(a).

4. Treasury does not admit or deny any other allegations in the complaint but leaves the Debtor to his proofs.

Based on the Answer to the Plaintiff's complaint, State of Michigan, Department of Treasury respectfully requests that any Orders entered by this Honorable Court in connection to this case give the State of Michigan, Department of Treasury the appropriate priority for its tax claims.

Respectfully submitted,

Bill Schuette
Attorney General


/s/ Moe Freedman
Moe Freedman (P74224)
Assistant Attorney General
3030 W. Grand Blvd. Ste. 10-200
Detroit, MI 48202
(313) 456-0140
freedmanm1@michigan.gov

Dated: August 13, 2013